CITY OF REDMOND ORDINANCE NO. 2580

AN ORDINANCE OF THE CITY OF REDMOND, WASHINGTON, AUTHORIZING THE REDUCTION OF PEG CAPITAL CONTRIBUTIONS FROM COMCAST CORPORATION AND ITS AFFILIATES, AND THE PEG GRANT FROM FRONTIER COMMUNICATIONS AND ITS AFFILIATES WITH RESPECT TO CABLE SERVICES

WHEREAS, the City of Redmond, Washington (the "City") granted Vista Television Cable, Inc. ("Vista Television") and Verizon Northwest, Inc. ("Verizon"), franchises to provide cable television services in the City; and

WHERAS, the Vista Television and Verizon Franchises are now held by Comcast Corporation and its affiliates (all collectively hereinafter "Comcast") and Frontier Communications and its affiliates (all collectively hereinafter "Frontier'); and

WHEREAS, Section 9.6 of the Comcast Franchise and Section 6.3.2 of the Frontier Franchise provide for PEG Capital Contributions from Comcast and the PEG Grant from Frontier; and

WHEREAS, the City may reduce the amount of the PEG Capital Contributions and PEG Grant or increase them up to \$1.00 per Subscriber per month; and

WHEREAS, at this time, the City wants to reduce the PEG Capital Contributions and PEG Grant while reserving its rights to further reduce or subsequently increase them.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. The PEG Capital Contributions from Comcast and the PEG Grant from Frontier are hereby reduced from \$1.00 per Subscriber per month to 35¢ per Subscriber per month; it being specifically understood that the City reserves and retains its rights to further decrease these amounts or increase them back up to a maximum of \$1.00 per Subscriber per month. City Staff is hereby authorized to provide notice of these changes to Comcast and Frontier in accordance with the terms and conditions of the Comcast Franchise and the Frontier Franchise.

Section 2. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity of any other section, sentence, clause or phrase of this ordinance.

Section 3. Effective Date. This ordinance shall take effect five (5) days after passage and publication of an approved summary consisting of the title, as provided for by law.

ADOPTED by the Redmond City Council this 15th day of March, 2011.

CITY OF REDMOND

ATTEST:

(SEAL)

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY:

FILED WITH THE CITY CLERK:

PASSED BY THE CITY COUNCIL: March 15, 2011

SIGNED BY THE MAYOR:

PUBLISHED:

EFFECTIVE DATE:

ORDINANCE NO. 2580

March 9, 2011

March 15, 2011

March 21, 2011

March 26, 2011

ADOPTED 5-0: Allen, Carson, Cole, Myers and Vache